

MENTAL HEALTH AND DISABILITY SERVICES COMMISSION  
June 20, 2013, 9:30 am to 3:00 pm  
Pleasant Hill Public Library  
5151 Maple Drive, Pleasant Hill, Iowa  
MEETING MINUTES

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MHDS COMMISSION MEMBERS PRESENT:

Richard Crouch  
Jill Davisson  
Lynn Grobe  
Representative Dave Heaton  
David Hudson  
Betty King  
Sharon Lambert (by phone)  
Gary Lippe  
Zvia McCormick

Brett McLain  
Rebecca Peterson  
Deb Schildroth  
Patrick Schmitz  
Susan Koch-Seehase  
Marilyn Seemann  
Suzanne Watson  
Jack Willey

MHDS COMMISSION MEMBERS ABSENT:

Neil Broderick  
Senator Joni Ernst  
Senator Jack Hatch

Representative Lisa Heddens  
Chris Hoffman

OTHER ATTENDEES:

Theresa Armstrong  
Bob Bacon  
Jess Benson  
Teresa Bomhoff  
Lynsie Crawford  
Diane Diamond  
Marissa Eyanson  
Connie Fanselow  
Jim Friberg  
Melissa Havig  
Julie Jetter  
Laura Larkin  
Bob Lincoln  
Sarah Lupes  
Carrie Malone  
John Pollak  
Jim Rixner  
Renee Schulte  
Todd Seifert  
Rik Shannon  
Rick Shults

MHDS, Bureau Chief, Community Serv. & Planning  
U of Iowa Center for Disabilities and Development  
Legislative Services Agency  
Iowa Mental Health Planning Council/NAMI  
Dept. of Human Rights Deaf Services  
DHS, Targeted Case Management  
Easter Seals Iowa  
MHDS, Community Services & Planning  
Department of Inspections and Appeals  
Magellan Health Services  
MHDS, Community Services & Planning  
MHDS, Community Services & Planning  
County Social Services  
Polk County Health Services  
House Republican Staff  
Legislative Services Agency  
Siouxland Community Mental Health Center  
DHS Consultant  
DAC, Inc.  
Iowa Developmental Disabilities Council  
DHS, Administrator MHDS Division

## OTHER ATTENDEES (continued):

|                    |                                      |
|--------------------|--------------------------------------|
| Deb Eckerman Slack | ISAC County Case Management Services |
| Ruth Thompson      | Iowa Department on Aging             |
| Jennifer Townsend  | Warren County                        |
| Robyn Wilson       | MHDS, Community Services & Planning  |

## WELCOME AND CALL TO ORDER

Jack Willey called the Commission business meeting to order at 9:35 a.m., welcomed attendees, and led introductions. No conflicts of interest were identified for today's meeting.

## APPROVAL OF MINUTES

Lynn Grobe made a motion to approve the minutes of the May 15 and May 16, 2013 meetings as presented. Patrick Schmitz seconded the motion. The motion passed unanimously.

## CORE SERVICES ADMINISTRATIVE RULES

Renee Schulte presented the proposed administrative rules for regional core services to the Commission for their approval to notice the rules. These rules are going through the regular, non-emergency rulemaking process. Once the rules are approved to be noticed, they will be published in the Iowa Administrative Bulletin and there will be an opportunity for public comment before the rules are adopted.

These proposed rules will amend Chapter 25 of the Iowa Administrative Code, "Disability Services Management." A large portion of the rules is devoted to definitions of regional core services and related terms. This is an area that the Commission workgroup spent considerable time reviewing. This document addresses only "core" services, not "core plus" or additional services, which will be defined at a later time. Some of the definitions reference definitions that already exist elsewhere in Iowa Code or Iowa Administrative Code when applicable; other definitions are new. Beginning on page 9 of the rules package, the core service domains that each region must provide are listed. There is also a provision that allows regions to provide funding for other appropriate services or support if they determine that the additional services meet specific criteria for being person-centered, effective, and not adverse to the principles of the *Olmstead* Supreme Court Decision.

The next section of the rules addresses access standards. Many of these mirror Medicaid or Iowa Plan access standards, but do not exactly duplicate them.

- Outpatient treatment services have different access standards for routine, urgent, or emergency care.
- Access distance standards are different for urban and rural areas as a practical matter; 30 miles in urban areas and 45 miles in rural areas.

- Crisis response and crisis evaluation services have very short timelines because they are emergent in nature.
- An initial appointment for supported community living services must occur within four weeks of a request for services.
- An initial referral must take place within 60 days of a request for support for employment, which is the same timeline used by Iowa Vocational Rehabilitation Services.

The section on practices for providers of core services mirrors the language passed in the rules for county exemption from joining regions. Since those rules will expire, the practice standards relating to co-occurring conditions, trauma-informed care, and evidence-based practices will now be part of these rules.

If the Commission votes today to approve that these rules be noticed, they will be published in mid to late July. Once published, they will be open for public comment for 20 days. Rules can be accessed through the DHS website at:

<http://www.dhs.state.ia.us/> (click on “Rules and Manuals”), or the Iowa Legislature website:

<https://www.legis.iowa.gov/IowaLaw/AdminCode/bulletinSupplementListing.aspx>

Anyone can register to receive email notification when the Administrative Bulletin is published by clicking on “subscriptions” at the bottom of the page.

The Administrative Bulletin always includes information on how to submit public comment and any public hearings that are requested and scheduled. The DHS response to all public comments becomes part of the rule package, so it will come back to the Commission and be available to anyone who wants to read the final version of the rules. Changes are often made to rules in response to public comment. The Commission’s Core Services Committee can meet to review the public comments received. The first time the Administrative Rules Review Committee would look at the rules would be in August after the public comment period, assuming that the process goes as swiftly as possible. Most likely, the final rules would come back to the Commission for approval in September.

Representative Dave Heaton asked if the language permitting regions to provide other services in addition to the core series allows those who wish to fund workshops or residential care facilities to do so. Renee Schulte responded that the language in the rule is the same language contained in Senate File 2315, so the rule is no less permissive than the law. If a region can show that the service is person-centered, evidence-based, and not adverse to Olmstead principles, it can be funded. Robyn Wilson also noted that the language in that section is permissive. It says that “in considering whether to provide such funding, a region may consider” the criteria that Renee just mentioned. That reflects the language used in legislation.

Jim Rixner asked about case management, noting that it is a mandated core service, but that some people are now being switched to Integrated Health Homes and will be

using care coordination instead. Renee responded that these rules apply only to county funded services, not to Medicaid funded services.

Rebecca Peterson said she felt an important element was missing because there is no language about delivering services in a culturally appropriate way. Renee responded that the law did not contain any language related to cultural competence or appropriateness; the Department will consider how that might be incorporated. Rebecca also noted that some definitions specify services are for an individual with a disability and others do not; she recommended being clearer about who the intended recipients are for each service area.

Melissa Havig commented that sometimes the access standards refer to minutes and sometimes to miles and that if the intention was to mirror the Iowa Plan, she is not sure these rules entirely follow the same standards.

Deb Schildroth commented that “service coordination” is prominent in the rules but it is not one of the defined terms.

Motion – Patrick Schmitz made a motion to approve the core services rules to be noticed. Deb Schildroth seconded the motion. The motion passed 16 to 0. The rules will be noticed in the Iowa Administrative Bulletin according to the rulemaking calendar.

## OUTLINE OF ADMINISTRATIVE RULES DEVELOPMENT

Julie Jetter presented an overview of the areas that the Department, in consultation with the Commission, needs to develop rules for as a result of recent legislation. There are specific areas where the Commission is identified as the body that is to adopt new rules. These areas include:

Regional Governance Structure – There are currently regions in the state working on this and DHS will partner with them as work is done on writing the rules.

- Counties comprising a region must enter into a 28E agreement to form a regional administrative entity under the control of a governing board.
- There are specific requirements for the membership of the governing board.
- The entity formed, referred to as the “Regional Administrator,” must be under the control of the board and will enter into a performance based contract with DHS.
- The governing board will have the authority to appoint and evaluate the CEO for the region.
- Regional staff will include one or more coordinators of disability services.

Jill Davisson noted that nothing is mentioned about gender, political, or other balance and asked it that should be something that goes into the 28E agreements. Julie responded that the rules workgroup might want to look at whether that would be needed, although it may be that addressing balance issues already applies to 28E agreements without being separately noted.

Jack Willey asked if there are eligibility requirements for the regional CEOs, and if there will be any educational requirements. Julie responded that the qualifications for service coordinators are laid out in the legislation, but not the qualifications for the regional CEOs.

Deb Schildroth indicated that Story County and the other counties in her region will be signing the shell of their 28E agreements very soon, with the knowledge that they may need to amend it later when there is more information available on what must be included. She said they wanted to move forward sooner than the rules will be completed and that they are willing to help in the development of the rules and they are also ready to start working on a regional management plan.

Suzanne Watson commented that it is difficult to plan for how much administrative staff will be needed by the regions because it is not yet clear how the new Iowa Health and Wellness Plan will work out as it relates to Medicaid coverage and how many people the counties/regions will still be serving.

Regional Governance Agreements – In addition to the general requirements for 28E agreements (contained in Chapter 28E of the Iowa Code) there are also very specific code requirements for the regional governance agreements in Iowa Code Sec. 331.392. These requirements include organizational provisions, administrative provisions, and financial provisions.

Regional Service Management Plan – Each regional service management plan must include three parts:

1. Annual Service and Budget Plan
2. Annual Report
3. Policies and Procedures

The requirements for approval of the Annual Service and Budget Plan or amendments to the plan are to be specified in rules adopted the Commission. Annual Service and Budget Plans are subject to approval by the Director. The Annual Report is due to the Department by December 1 of each year and must provide information on the number of persons served, the money expended, and the outcomes achieved. The Policies and Procedures, and any amendments, must be approved by the region's governing board and the Director, in consultation with the Commission.

Financial Eligibility for Regional MHDS Services – Financial eligibility is based on income equal to or less than 150% of the federal poverty level (FPL). No co-pays are allowed for people with income of 150% FPL or less; above 150% FPL, co-payments, sliding fees, or other cost-sharing requirements may be approved by the Department. Individuals who are eligible for federally funded services (Medicaid) or other supports must apply for those benefits. Resource limitations may be identified in administrative rules adopted by the Commission. Retirement accounts in the accumulation stage and burial, medical savings, or assistive technology accounts will be disregarded as resources.

Diagnosis/Functional Assessment (Eligibility) – To be eligible for services provided by the regional service system:

- The person must be 18 years or older and a resident of Iowa
  - transitional services may start 3 months before turning 18
  - a person under 18 who belongs to an eligibility class that was previously funded by at least one county in the region (if funds are available)
- The person has had a mental health, behavioral, or emotional disorder during the preceding 12-month period or now has such a disorder in the opinion of a mental health professional
- The person has a diagnosis of intellectual disability
- The person's eligibility for individualized services are determined through a standardized functional assessment process using a methodology approved by the Director in consultation with the Commission

Committee - MHDS would like the Commission to appoint a committee to provide input on the development of these rules. The committee should begin its work the first week of July, so that the proposed rules can be drafted and presented to the Commission at the July meeting. The members of the Regional Rules Committee will be: Jack Willey, Susan Koch-Seehase, Deb Schildroth, Rebecca Peterson, Suzanne Watson, Patrick Schmitz, and Jill Davisson. Renee Schulte and Julie Jetter will work with the committee. An initial committee meeting will be scheduled for July 2<sup>nd</sup>.

THANK YOU TO ROBYN WILSON

Robyn Wilson will be retiring from DHS on July 5. Jack Willey and the members of the Commission thanked Robyn for her immeasurable contribution to the MHDS Commission and to mental health and disability services in Iowa and for her many years of hard work and dedication.

MHDS UPDATE

Rick Shults and Theresa Armstrong presented an update on MHDS activities:

Administrative Rules - Rick began with some follow-up on the rules discussion. He said he appreciated the work of the Commission and especially the great work of the core services committee. He noted that the rulemaking process starts with the Iowa Code and the hard work the Legislature does to put specific instructions in the law. Administrative rules do not repeat what is clearly laid out in the Code. The purpose of rules is to provide additional clarification and guidance when it is needed. The goal is to write rules that meet all expectations and still leave some room for flexibility. It is important to make sure that the agency does not over-reach what the Code authorizes. The legislature confers the authority to the Department to write rules and bring them to the Commission, although there are constraints that need to be followed.

Rick noted that there is some guidance for regions in the Transition Report, but that may or may not end up in administrative rule. Rick noted that even after the rules are

written, everyone's questions may not be fully answered and that may be a good thing because it can provide flexibility for regions.

Regional Formation - Theresa Armstrong shared an update on the status of regional development. Most of the regional groups are moving forward, some faster than others. Ida and Van Buren Counties did not file letters of intent. Van Buren County initially asked to be exempted but have changed their minds and are now working with the group of counties to the east of them (Keokuk, Washington, Louisa, Henry, Des Moines, and Lee) and have been meeting with Robyn and Julie. Ida County had been in talks with one region that did not work out. Within the next week or so, Director Palmer will be assigning them to a region. Robyn and Julie met with Ida and the regional groups nearby and gathered information to help Chuck make his decision.

Polk County has been approved to stand alone. Carroll County applied for exemption, but their application was not approved and the Department is in conversation with them about the next steps. They may decide to appeal the decision. They have also had conversations with the regional group just to the north of Carroll County, which has just named their region "Rolling Hills." That region includes Buena Vista, Sac, Calhoun, and Crawford Counties. The primary reasons for the denial of their application for exemption are that they did not meet most of the data measures compared to statewide averages and are unable to currently provide evidence-based practices as required. Jefferson County's application for exemption is still pending; the decision will be made by the end of the month.

Deb Schildroth asked if the other regions have been approved. Theresa responded that about half of the regions are still working on getting additional information to DHS to complete their applications. About half have also asked for some technical assistance. Rick added that there is legislation being considered by the Governor that will allow funding for TA to go into the next fiscal year.

Integrated Health Homes (IHH) – Phase 1 of the IHH project is on target to begin July 1. The Phase 1 counties are Polk, Warren, Linn, Woodbury, and Dubuque (children only in Dubuque County). It will involve only individuals who qualify for Medicaid. Magellan is working with providers to make training, coaching, and mentoring available. The State Plan amendment was just approved this week. DHS and Magellan have been meeting with counties and potential providers to dispel myths and rumors about the changes. People are still confused by the name "health home;" a health home is not a place – it is a team of professionals working together to provide person-centered, coordinated care for individuals with chronic health conditions. This Iowa IHH project will start by serving adults with serious mental illness (SMI) and children with serious emotional disturbance (SED) who are enrolled in Medicaid. Phase 1 builds on a pilot project that was already in existence. Phase 2 is scheduled to start March 1, 2014. Phase 3 may start at the same time, or later. There is flexibility for regions to include all counties even if some counties have later starting dates than others.

Jim Rixner commented that Siouxland Mental Health Center will no longer have case management services as of July 1, so people who live in other counties and have accessed case management through the CMHC, will either need to get those services elsewhere or move to the IHH care coordination model.

Rick Shults said there is a need to clearly understand the impact of cost containment for case management and the impact of changing to the use of IHHs. Gary Lippe said there are changes in case management happening because of the new case management rate cap that may be incorrectly perceived as happening because of the change to IHHs simply because they are occurring at about the same time. Rick said he would be interested in talking to people about the impact and how to help manage it. Case management has been a cost settled service and it will no longer be determined that way. IME is currently looking at both short and long term changes to address cost containment. He also noted that IME is looking at possible alternatives for case management cost containment, as part of the overall budget.

Theresa Armstrong noted that IHHs will be receiving an intensive care management rate that comes with additional requirements for maintaining a higher level of service to individuals who have previously qualified for Targeted Case Management. There will be a requirement to have monthly face-to-face visits and provide quarterly reports. The higher rate will also allow caseloads to be a little lower.

Equalization Funds – Jack Willey asked when equalization funds will be distributed, and if they will go to regions or to counties. Rick responded that the law provides for equalization payments being made by July 15 to counties that have their state bills paid and DHS will follow that timeline. Other counties that owe state bills will receive equalization payments when the state bills are paid or when they enter into an agreement with DHS for a repayment plan. The payments will be made to counties.

Rick was asked why there are not definitions for sheltered work or residential care facilities in the core services rules. He responded that they are not identified as core services, but that the provisions of the legislation and the rules allow counties/regions to provide services beyond the specified core services. The rules define core services; other services are permissive, not denied.

## PUBLIC COMMENT

Teresa Bomhoff commented that there were some basic points covered by the Transition Workgroup that might be considered for inclusion in rules, including liability insurance for regions, administrative cost caps, pooling of funds, and discouraging the rotation of regional administrators.

Dave Hudson observed that the pooling of funds seemed to be a big challenge for counties a year ago, but doesn't seem to be now. Jack Willey said he thinks since counties have been working together to form regions they have built greater trust and the philosophy has changed. Jill Davisson noted that there was also legislation this



year to address the 22 counties that had negative fund balances. Representative Dave Heaton commented that the State put an additional \$72 million into mental health and disability services redesign this year and the expectation is that everything possible should be done to facilitate a regional approach to the delivery of services. He said the intent in the committee was that equalization funds should go to the regions.

John Pollack clarified that there are two separate provisions in the bill. One provides that counties that are part of approved regions will get payments by December. The other, the equalization language, came along much later and those payments are to be made according to the appropriations language. He said some work has to be done to read those two sections together.

A break for lunch was taken at 11:50 a.m.

The meeting resumed at 1 p.m.

## IOWA HEALTH AND WELLNESS PLAN

Rick Shults shared a handout outlining preliminary information on the Iowa Health and Wellness Plan. The information is also available on the DHS website.

In May the Legislature passed and sent to the Governor a compromise plan between Medicaid Expansion and the Governor's proposed Healthy Iowa Plan. The Governor signed the legislation this morning. Beginning January 1, 2014, the Iowa Health and Wellness Plan will cover all Iowans ages 19 through 64 who have incomes under 138% of the federal poverty level (FPL). Rick noted that the actual income amount is 133% of FPL, but there is a 5% income disregard, so it is often referred to as 138%. As the plan moves forward, people may hear references to both amounts. Rick said this plan will allow the State to move forward with some initiatives that will improve the health and welfare of Iowans in addition to providing insurance coverage. It will replace the IowaCare Program, which will end on December 31. Rick noted that the plan has changed enough since the version that the Governor originally proposed that there is expected to be another public comment period scheduled. CMS (the federal Centers for Medicare and Medicaid) has advised that the first public comment period, which was already scheduled, should go forward and also plan additional public hearings.

The new plan will require Iowa to obtain a Section 1115 Waiver from the federal government; DHS will actually issue two waiver applications – one for the Health and Wellness Plan (for persons with income up to and including 100% of FPL), and one for the Marketplace Choice Plan (for persons with income over 100% of FPL, up to 138%). Current Medicaid eligibility can be broadly stated as an insurance coverage plan for children, pregnant women, people with disabilities, and the elderly. This plan will change that to all individuals age 19 through 64 with income up to 100% of FPL. Currently, that is \$11,490 for a family of one, \$15,510 for a family of two, and increases as family size increases. That will include many individuals who would not otherwise be eligible for Medicaid coverage under the current rules.

The package of benefits will include comprehensive health services and is equivalent to the State Employee Health Benefit Package. The benefits covered include mental health and substance use disorder services, rehabilitative and habilitative services, and home and community based services for persons with chronic mental illness, prescription drugs, dental, and other services. These individuals will have access to the same level of benefits that persons now enrolled in Medicaid receive. The provider network will include enrollment with a primary care medical home for all members to assist them in coordinating health services. There are no co-payments, except a \$10 payment for using an Emergency Room for a non-emergency. No monthly premiums will be charged in the first year; after that, there will be no premiums if the member completes preventative or wellness activities. Out of pocket costs cannot exceed 5% of the person's income.

The plan will include care coordination and management by ACOs (Accountable Care Organizations). There will be incentives for members to participate in health and wellness activities to have monthly premiums waived, and a focus on proactive health care, preventative services, and outreach to members, who will include people not currently eligible for Medicaid.

The second part of the plan, which covers adults ages 19 through 64 with incomes between 100 and 138% of FPL, who are not otherwise eligible for Medicaid. This group will be eligible for a premium assistance program to help them purchase commercial health plan coverage through the new Health Benefits Exchange. The benefits to be covered are expected to be very similar to those available to persons with income under 100% FPL. Some included benefits, such as mental health and substance use disorder services and home and community based services, are not presently paid for by all commercial plans. This group will also have no co-payments, except a \$10 payment for using an Emergency Room for a non-emergency. No monthly premiums will be charged in the first year; after that, there will be no premiums if the member completes preventative or wellness activities. Out of pocket costs cannot exceed 5% of the person's income. There are also financial eligibility provisions that will allow people to stay on the same plan even if their income fluctuates, moving from under 100% FPL to over, or the reverse. This will reduce or prevent "churning," which is what happens when people have to change plans if their income changes. This type of plan is emerging in other states as well as Iowa.

#### Questions and Answers:

Q: Will there be mental health parity?

A: Yes, parity will be required, so members will get outpatient mental health services. Those about 138% FPL getting insurance coverage through the exchange may be eligible for tax credits to assist them in paying premiums, but may not get the same mental health support services available under the Health and Wellness Plan.

Q: Are dental services covered for children?

A: Those services are covered under the traditional Medicaid program and Hawk-I; this plan covers services for people ages 19 through 64.

Q: Will self-employed people be eligible? How will self-employment income be treated?

A: Yes, eligibility is based on income and self-employment income is calculated the same way it is for income tax purposes.

Q: Would out of pocket costs include any deductibles? If so, are they comparable to the State employee health plan?

A: Rick will get that information before the next meeting.

Q: There are some references to presumptive eligibility. Will that be used or is there a delay in coverage?

A: Timing of eligibility and other details still have to be worked out with CMS.

Q: Will people in community corrections programs be covered?

A: Rick will get that information before the next meeting.

Rick said there is also a concept CMS is going to be using for identifying people who are medically fragile, who would then be given a choice of going into the Medicaid plan as opposed to the premium assisted. There has also been discussion about applying a similar process to people experiencing mental health or substance use issues; those are still among the things to be worked out. Gary Lippe noted that the way income would be calculated for a person applying for Medicaid today is different than a person applying for health benefits under ACA, so they cannot be directly compared.

The Health Benefit Exchange launches October 1; Iowa's HBE will be a partnership between state and federal government. The Legislation also called on the Department to engage groups of stakeholders to develop an approach which measures the extent to which the expansion of these services result in savings to counties/regions and then a provision for either reducing state payments or returning county levy funds at a level of 80% of those savings. This is referred to as the "offset" provision. There will be a process over the next 8 or 9 months to determine how to measure those particular components. The offset begins in the second year.

Representative Heaton commented that legislators discussed it will be challenging to track people who may move back and forth between coverage systems because their income fluctuates and to determine how that impacts the offset amount. He said that the offset is a compromise part of the legislation that was necessary to gain enough support to reach an agreement. The amount of the offset could change after there is more information available on how the numbers actually work out.

Q: Is there a definition for medically fragile?

A: Not yet; the definition and how it will be applied still has to be worked out. It needs to be practical, accurate, and easy to use. There is a definition used for other purposes, but that one may be too restrictive for this purpose.

Q: When does coverage actually start?

A: January 1, 2014. People can start applying October 1, 2013.

Q: What is the process for people to be notified about enrollment? What about the people currently using IowaCare?

A: Getting the word out to people who may be eligible will be a big job and there is more work to be done on that; those currently on IowaCare will probably be among the first to get the information because they can be contacted directly and it may take longer to get the information out to others. There is a role for assisting and coaching people through the process.

Q: Will there be any coverage options available between now and January 1 for people who would have enrolled in IowaCare since enrollment for that program has closed?

A: Rick will get that information before the next meeting.

Rick said he cannot overstate how much work there is to be done between now and January first.

## AUTISM SUPPORT PROGRAM

Laura Larkin presented an overview of the new Autism Support Program created by Senate File 446. The legislation was signed today. The program is scheduled to start January 1, 2014 and \$2 million has been allocated to fund it. It is intended to pay for ABA (Applied Behavioral Analysis) services for children with Autism. To be eligible, the child must be under 9 years of age, have a diagnostic assessment of Autism by a licensed child psychiatrist, developmental pediatrician, or a clinical psychologist. In addition, ABA services must not be covered by Medicaid, State health insurance, or private insurance. The program is available for families with income up to 400% of FPL; up to 200% of FPL, there is no cost-sharing. The maximum annual benefit is \$36,000 and there is a limit of two years of eligibility.

DHS is responsible for writing administrative rules for the program that will contain standards and guidelines for benefits, cost sharing, and other factors necessary to implement the program. The legislation provides that the Department will consult with an expert stakeholder panel convened by the Regional Autism Assistance Program. The Department would like to have a member of the MHDS Commission serve on that panel. DHS can use a sole source contract with a managed care entity and it is anticipated that Magellan will be managing the program. [Note: The sole source language was vetoed by Governor Branstad on June 20.]

Dave Hudson asked how many children there are in Iowa who are 9 or under and have Autism. Laura responded that the number is hard to identify. Iowa's educational system is non-categorical, so children with disabilities are identified by schools as eligible for special education, but not identified by diagnosis. It is generally accepted that somewhere from 1 in 88 to 1 in 150 children will have Autism.

Representative Heaton noted that the \$2 million funding is for 6 months and will go to \$4 million for the next full fiscal year. Currently there are only four places in Iowa where families can get ABA services – Mercy in Dubuque, the University of Iowa in Iowa City, and two providers in Des Moines. There are proposals to develop more ABA providers. Buena Vista University is offering a graduate program in ABA. There may be challenges related to the limited availability of people who know how to perform the service or supervise people performing the service. ABA helps children with Autism to communication, learn, read, and participate in school. Intensive ABA services when a child is young can greatly reduce the need for expensive support services later in life and research indicates that about 40% of children who receive treatment will become fully functional as adults.

Stakeholder Panel - A Commission member is requested to serve on the expert stakeholder panel. The time commitment is a 4 to 5 hour face-to-face meeting followed by conference calls and email communications. The group will provide input on writing administrative rules and outlining the program. Most of the work will be done in July and August. Jack Willey asked for volunteers and Gary Lippe agreed to represent the Commission.

## LEGISLATIVE UPDATE

Rick Shults shared a high level overview on the close of the legislative session. Senate File 452, known as the Standings Bill, contained many provisions related to MHDS, including:

- Transition funding provisions gave the Director authority to approve non-contiguous counties in regions.
- Further expansion of how individuals who have disabilities other than mental illness or intellectual disabilities can be served if counties have the funds to do so.
- Authorization for the continuation of the demonstration project for crisis services.
- Authorization for counties to fund demonstration projects for the purpose of developing research-based practices.
- Allowing the remaining funds for county/regional technical assistance available to be used in FY 2014.
- Exempting counties from updating and submitting county management plans during the time they are transitioning to regional plans.
- Requiring counties that received transition funds to use them to pay for current services.
- Allowing counties to continue to pay for services in their approved county management plans until they have approved regional plans.
- Continuing the Children's Services Workgroup (the Children's Cabinet and the Center for Child Health Innovation that had been proposed were not adopted).
- Supporting the recommendations of the Statistical and Outcomes Workgroups and allowing work to continue.

- Appropriating \$29.8 million to authorize equalization payments calculated and made based on SF 2315 passed last year.
- Requiring payment of State bills and authorizing a process for repayment plans.

There is a \$13 million appropriation in a separate bill for the Risk Pool with specific instructions on how funds are to be distributed with first priority being those counties that had to lower their levy to come down to the new \$47.28 rate and do not have sufficient funds for continuing existing services.

There is also an appropriation of about \$11.2 million that directs the Department to provide payments to counties based on the way in which they utilized State Payment Program payments in the most recent 12-month period. The State Payment Program (SPP) is ending June 30. Rick indicated there will still be a small number of people who will not be considered residents and the State will still be financially responsible for MHDS services they need. More work will be done on exactly how they will be identified.

The Judicial Bill (SF 406) passed. It includes a plan to move mental health advocates to the Department of Inspections and Appeals and DHS is directed to transfer money to DIA for that purpose for FY 2014 and funding will need to be appropriated for FY 2015. [Note: This provision was subsequently line-item vetoed by Governor Branstad.] The bill sunsets the current mental health and substance abuse commitment provisions and instructs the Department to work on a study to better monitor the availability of mental health beds statewide.

## JULY MEETING

The next meeting is scheduled for July 18<sup>th</sup> at ChildServe in Johnston. The regional service system rules are expected to be ready for consideration. Jack Willey noted that he has been reviewing the Interagency Task Force Report on Military and Veterans Mental Health shared with the Commission by Brett McLain and he would like to hear more about veteran's issues at one of the next meetings.

## PUBLIC COMMENT

Bob Bacon commented that he doesn't remember a time in the last 34 years when so much has been happening in the area of mental health and disability services.

Deb Eckerman-Slack commented that the case management cap is raising huge issues and is going to have a tremendous impact on case management agencies. She said she was not clear on the numbers behind the cap and would like to know more about how it was determined. She said that things like health insurance and other staff costs have skyrocketed and those costs factor into case management rates. The billing unit and other things have changed also.

Suzanne Watson said she would also like to have more information on changes in case management. Jack Willey agreed, saying that Jackson County recently bought a

building that is in the process of being remodeling to use for case management and if significant changes or reductions in staff are expected, that would be important information to have.

Rick responded that one of the components of the Affordable Care Act is improved care coordination and care coordination is the “HMO” of the future. It will be important to better coordinate care for people who have the most challenges. One of the tools the State has been given is the Integrated Health Home, which is targeted to people with mental illness. There is no similar plan for other populations because there is no tool like that for them. The traditional health care model has not provided the needed care coordination for people with complex needs. Rick said there may be a need to look at what can be done differently as we move forward, but there is no grand plan in that regard. In terms of the cost of serving people using case management, the cost has grown at a much higher rate than most Medicaid services, and for that reason, it made the cost containment list.

Deb Schildroth noted that case management has been required for people to access other services and a lot of people have been added to case management so that they can access habilitation and other services. Gary Lippe observed that there aren’t many programs that are still paid for on a cost rate basis.

Deb Eckerman Slack commented that the case management rate change seemed to come very suddenly and unexpectedly. Rick responded that it was part of the budget process for some time, and the Department may have perceived that the information was more fully heard and understood than it actually was.

Marissa Eyanson commented that she read about Hennepin County, MN establishing its own Accountable Care Organization and wondered if counties or regions might want to consider such an approach.

The meeting was adjourned at 2:45 p.m.

Minutes respectfully submitted by Connie B. Fanselow.